GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

STARRED QUESTION NO:61
ANSWERED ON:07.02.2017
Distress Sale of Tomatoes
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Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether the Government has taken note of distress sale of tomatoes in some parts of the country and if so, the reaction of the Government thereto;

(b) whether there is a huge gap between annual production and demand of tomatoes and if so, the details thereof, State/UT-wise during the last two years and the current year and the reasons therefor;

(c) whether the export of tomatoes has consistently been increased despite the gap between production and demand during the said period and if so, the details thereof; and

(d) the steps taken/being taken by the Government to bridge the gap between production and demand of tomatoes to ensure remunerative price to farmers and stabilize its price in the market?

Answer

MINISTER OF AGRICULTURE AND FARMERS WELFARE
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(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 61 DUE FOR REPLY ON 7TH FEBRUARY, 2017.

(a): Government is aware that there has been increased production of tomato in the current year because of which the prices at few centres are low. However, to safeguard the interests of the farmers and preventing them from distress sale situation, the Department of Agriculture Cooperation & Farmers' Welfare (DAC&FW) operates Market Intervention Scheme (MIS) for procurement of horticultural commodities including tomatoes which are perishable in nature and are not covered under Price Support Scheme. MIS aims to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when the prices tend to fall below economic levels and cost of production. MIS is implemented at the request of a state / UT government which is ready to bear 50 percent of the loss (25 percent in case of North-Eastern States), if any, incurred on its implementation.

However, no proposal has been received from any State Governments for procurement of tomato under MIS during 2016-17.

(b): There is a positive gap between the annual production and demand of tomatoes details of which may be seen in table below. The production being much higher than the demand, the supply situation in the country is comfortable.
Quantity in "000 tonnes

Tomato	2014-15	2015-16	2016-17*
Production	16385	18731	18911
Annual Demand	16296	17286	17519

Note: based on NSSO (National Sample Survey Organisation) per capita consumption data 2011-12.

* Projected figures for the whole year
Contdâ€¦2/-

(c): The tomato exports from the country are nominal and there is a decline in the total quantity of export as may be seen from the table below;

Year	Quantity in '000 MT
2013-14	400
2014-15	218
2015-16	161
2016-17 (Apr-Oct)	169

Source: Ministry of Commerce & Industry, Department of Commerce

(d): Government is taking several measures to increase production of fruits & vegetables including tomato to ensure remunerative prices to farmers & stabilize its price in the market, some of which are as under;

â€¢ To boost the production of fruits and vegetables, in the country, Government is implementing Mission for Integrated Development of Horticulture (MIDH) which provides support for production of quality planting material, improved quality seed production, rejuvenation of senile orchards, protected cultivation, creation of water resources, creation of infrastructure to prevent post harvest losses of horticultural crops including tomato, adoption of Integrated Nutrient Management (INM)/Integrated Pest Management (IPM) and organic farming including insitu generation of organic inputs. Assistance for increasing horticulture production is also being provided under the Rashtriya Krishi Vikas Yojana (RKVY) scheme.

â€¢ The Govt. is implementing the scheme called electronic National Agriculture Market (e-NAM). Tomato as a horticultural produce is included under e-NAM. As per the scheme, a common e-market platform is being deployed to link the existing physical mandis across the country through online enabling buyers situated even outside the State to participate trading at local level. It will ensure significant benefits through

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higher returns to farmers, lower transaction costs to buyers and stable prices and availability to consumers.

â€¢ Farmers are mobilised into Farmer Producer Organisations (FPOs) for aggregation and economies of scale. Efforts are being made to link FPOs to market by way of direct marketing farmer consumer markets/Apni Mandi and e-markets.

â€¢ Assistance is provided for development of post harvest management and marketing infrastructure such as cold storages, ripening chamber, pack houses, reefer vehicles, primary and wholesale markets, Kisan Mandies, etc.

â€¢ Market Intervention Scheme (MIS) for procurement of horticultural commodities which are perishable in nature and are not covered under Price Support Scheme. The objective of intervention is to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when the prices tend to fall below economic levels and cost of production.

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